2

3

FILED IN THE
U.S. DISTRICT COURT
EASTERN DISTRICT OF WASHINGTON

Jul 13, 2017

SEAN F. MCAVOY, CLERK

UNITED STATES DISTRICT COURT EASTERN DISTRICT OF WASHINGTON

4

TREE TOP, INC., a Washington

v.

STARR INDEMNITY AND

LIABILITY CO., a foreign insurance

5

corporation,

corporation,

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

No. 1:15-CV-03155-SMJ

ORDER HOLDING THE PARTIES' CROSS-MOTIONS FOR SUMMARY JUDGMENT IN ABEYANCE AND SETTING BRIEFING SCHEDULE

Defendant.

Plaintiff,

On July 12, 2017, the Court heard oral argument on the parties' cross-motions for summary judgment. ECF No. 36. At this hearing, Plaintiff raised a new argument regarding Defendant's "fortuity" or "known-loss" defense. Plaintiff argues that if the Court applies the defense here, it would break new ground by extending the known-loss defense to a class of insurance policies to which the defense has not applied before. Since the parties have not briefed the issue, the Court **ORDERS** the parties to address: (1) whether applying the known-loss defense here would in fact extend it to a new category of insurance policies—claims based policies—to which Washington courts have not previously

applied the defense; and (2) whether this Court should certify this issue to the Washington State Supreme Court.

The Court further **SETS** the following briefing schedule. Plaintiff, as the party who raised the issue, shall file a brief **no longer than 10 pages** addressing the two questions above **no later than August 3, 2017**. Defendant shall file a response **no longer than 10 pages no later than August 24, 2017**. Plaintiff shall then file a reply, if any, **no longer than 5 pages no later than September 7, 2017**.

Finally, the Court will hold the cross-motions for summary judgment, ECF Nos. 22 and 25, in **ABEYANCE** until the issue discussed in this order is resolved. Accordingly, **IT IS HEREBY ORDERED**:

- 1. Plaintiff shall file a brief **no longer than 10 pages** addressing the two questions above **no later than August 3, 2017**
- Defendant shall file a response no longer than 10 pages no later than August 24, 2017.
- 3. Plaintiff shall then file a reply, if any, no longer than 5 pages no later than September 7, 2017.
- 4. Defendant Starr Indemnity & Liability Company's Motion for Summary Judgment, ECF No. 22, is held in **ABEYANCE** until otherwise ordered by this Court.

5. Plaintiff's Response to Defendant Starr Indemnity & Liability Company's Motion for Summary Judgment and Cross-Motion for Summary Judgment, ECF No. 25, is held in **ABEYANCE** until otherwise ordered by this Court.

IT IS SO ORDERED. The Clerk's Office is directed to enter this Order and provide copies to all counsel.

DATED this 13th day of July 2017.

S.LVADOR MENLOZA, JR. United States District Judge